

which the Appropriation Act in which they are included applies, shall in future go in augmentation of the revenue of the ensuing year, and the appropriation of such sums shall be considered to have lapsed until they have again been submitted to the consideration of the House.

J. WILLIAMSON, Chairman,
OSWALD CURTIS,
CH. E. HAUGHTON.

Audit Committee Room, House of Representatives,
Wellington, 22nd August, 1866.

COPY OF MINUTES OF MEETINGS OF THE AUDIT COMMITTEE, 1866.

THURSDAY, 19TH JULY, 1866.

Present: Mr. John Williamson (in the Chair), Mr. Haughton, and Mr. Curtis.

Order of reference of 17th July, read.

Mr. Anderson, of the Audit Office, attended to give evidence, and placed before the committee the following papers, viz.: 1st—Financial Account, 1864-5. 2nd—Annual Account Book of Colonial Treasurer. 3rd—Certificate of the Auditor of Public Accounts.

Resolved—That the committee proceed, in the first instance, to compare the accounts of expenditure for the year 1864-5 with the Appropriation Act, in order to ascertain whether the will of the Legislature has been in this respect fully complied with.

The Certificate of the Auditor of Public Accounts was read by the Clerk, viz.:—

“I certify that I have examined the Statement of the Receipts and Expenditure of the Colonial Treasurer of New Zealand for the financial year 1864-5, and that, with the exception of the items specified in the queries, copies of which are hereunto annexed, I find that the statement is correct, as to the accounts and balance sheet of transactions for the period comprised therein; and that the expenditure shown in the said account has been properly classified, and any part thereof incurred without authority of law is separately shown as unauthorized expenditure, with the exception of the expenditure charged under “The Loan Act, 1862-3,” during the period from the 1st April to the 30th June, 1865; and with the exception also of the issue of public moneys from the Colonial Treasury, which appears to have been made without warrants under the hand of the Governor, contrary to the 54th clause of the Constitution Act.

(Signed)

“CHARLES KNIGHT,
“Auditor of Public Accounts.”

“4th July, 1866.”

The committee proceeded to examine the items of accounts in the order set forth in “The Appropriation Act, 1863.”

The items of unauthorized expenditure, viz.: (B. No. 2, p. 60) Crown Lands Department, £161 7s. 7d.; Colonial Treasurer's Department, £201 19s.; Defence Minister's Department, £603 9s. 2d., were severally inquired into.

Mr. Anderson stated that the items as above were expended almost entirely on account of salaries, whereupon it was

Resolved—That in the investigation of unauthorized expenditure, the committee obtain evidence from each department in which any material excess of expenditure has occurred to show the causes which have led to such unauthorized expenditure, and that the committee embody the results of these inquiries in their report to the House.

The committee further proceeded to inquire into item under Judicial, viz.: £5339 11s. 6d.

Mr. Anderson explained this item as having arisen out of criminal prosecutions (£7550), chiefly in the Province of Otago.

Resolved,—That the committee do meet every day except Saturday at 10:30 a.m.

The committee adjourned until Friday, the 20th July, at 10:30 a.m.

FRIDAY, 20TH JULY, 1866.

The committee met pursuant to adjournment: Present all the members.

The minutes of the previous meeting were read and confirmed.

Mr. Anderson was in attendance to give any further explanation that might be required of him.

The committee proceeded to examine the items of unauthorized expenditure commencing with—

1.—Province of Auckland.

Customs, £1428 4s. 4d. (61-B., No. 2).

The committee agreed to postpone this item for explanation by the Commissioner of Customs.

2.—Postal, £163 14s. 7d. (61 B. No. 2).

Mr. Anderson explained that this sum comprised chiefly contingencies, such as gratuities for mails, poundage and commission on postage stamps.

3.—Province of Taranaki.

Judicial, £162 13s. 5d. (61 B. No. 2).

Mr. Anderson stated this sum to be made up in contingencies.

4.—Customs, £127 9s. 4d. (61 B. No. 2).

Mr. Anderson gave similar explanations as to this sum.

5.—Postal, £222 17s. 7d. (61 B. No. 2).

Explained by Mr. Anderson to be made up of contingencies and salaries.